



Nonpublic Postsecondary Education Commission
2082 East Exchange Place, Suite 220
Tucker, Georgia 30084-5305
(770) 414-3300
Fax (770) 414-3309

Brian P. Kemp
Governor

Kirk Shook
Executive Director

Notice of Proposed Policy Changes and Making
Georgia Nonpublic Postsecondary Education Commission

To: All Parties on the Nonpublic Postsecondary Education Commission's Policy Making Mailing List
All Interested Parties via Publication by the Nonpublic Postsecondary Education Commission

From: Georgia Nonpublic Postsecondary Education Commission
2082 E. Exchange Place, Suite 220
Tucker, GA 30084

Date: October 17, 2019

The Nonpublic Postsecondary Education Commission (NPEC) is continuing to take steps to update its currently promulgated policies to ensure that they are accurate and current as well as propose for ratification necessary policies. NPEC will be holding its next commission meeting on Monday, October 28, 2019 at 1pm at South College, 2600 Century Parkway, Suite 110, Atlanta, GA 30345. At that meeting the Commission intends to take the following steps.

First, the Commission will vote to repeal the following policies:

1. Organization- Unnecessary as it restates the statute and does not provide any expansion of procedure or implementation of statute

2. NPEC General Powers and Duties- Unnecessary as it restates the statute and does not provide any expansion of procedure or implementation of statute
3. Executive Director- Unnecessary as it restates the statute and does not provide any expansion of procedure or implementation of statute
4. Repealed- Unnecessary
5. Mailing Address and Office Location- Unnecessary as it restates the statute and does not provide any expansion of procedure or implementation of statute
6. Public Inspection of Rules, Polices, Orders, Decisions, and Opinions- Unnecessary as GNPEC does not go beyond what the Georgia Open Records Act requires
7. Validity of Authorization and Permits Previously Issued- Unnecessary as it restates the statute and does not provide any expansion of procedure or implementation of statute
8. Criteria for Meeting Minimum Standards- Outdated and Redundant- The three policies related to the Minimum Standards, *Criteria for Meeting Minimum Standards*, *State Review Standards* and *Minimum Standards for Educational Institutions* will be consolidated into one current policy titled Policy 4: Minimum Standards for Educational Institutions.
9. Payment of Fees- Outdated information and unnecessary as it restates the statute and does not provide any expansion of procedure or implementation of statute
10. State Review Standards- Outdated and redundant- The three policies related to the Minimum Standards, *Criteria for Meeting Minimum Standards*, *State Review Standards* and *Minimum Standards for Educational Institutions* will be consolidated into one current policy titled Policy 4: Minimum Standards for Educational Institutions.

Second, the Commission will vote regarding amending the following policies to ensure the language within each is current and accurate. They have been edited for organizational and grammatical changes and policy titles for clarity and consistency with NPEC having rules rather than policies as it is not subject to the Georgia Administrative Procedures Act.

Additionally, the former Minimum Standards related policies, *Criteria for Meeting Minimum Standards*, *State Review Standards* and *Minimum Standards for Educational Institutions*, have been consolidated into a single policy called “Minimum Standards for Educational Institutions.”

Policy 3: Petition for Promulgation, Amendment, or Repeal of a Policy

1. Any interested person may petition the Commission requesting the promulgation, amendment, or repeal of a policy.
2. Form of Petition. Each petition for promulgation, amendment, or repeal of a policy shall be filed with the Commission in writing and shall include:
 - (a) The name and postal address of the petitioner.
 - (b) The full text of the policy desired to be promulgated or of the policy requested to be amended or repealed.
 - (c) A paragraphed statement of the reason for the requested action, including all pertinent facts as to the petitioner's interest in the matter.
 - (d) Citations of legal authorities, if any, which authorize, support, or require the action requested by petitioner.
3. Upon receipt of the petition, the Executive Director shall inquire into the matter. Acting for the Commission, the Executive Director shall, within 30 days after receipt of the petition, either deny the petition in writing stating the reasons for the denial or initiate policy making proceedings.

Policy 4: Minimum Standards for Educational Institutions

The Commission under authority granted in [O.C.G.A. 20-3-250.5\(b\)\(2\)](#), has adopted Minimum Standards under which authorized institutions must be maintained and operated, or, in the case of an applicant for authorization, demonstrate under which it can be maintained and operated in compliance with the Minimum Standards. The Minimum Standards can be found on the Commission's website at <https://gnpec.georgia.gov>.

Policy 5: Criteria for Approval for Receipt of Tuition Equalization Grant Funds for Proprietary Institutions of Higher Education

No proprietary institution shall qualify for receipt of tuition equalization grant funds unless such institution submits evidence to the NPEC that it meets all the following criteria:

1. The institution is a baccalaureate degree granting institution of higher learning.
2. The institution is accredited by a regional accrediting agency recognized by the United States Department of Education.
3. The institution is not a Bible school or college (or, at the graduate level, a school or college of theology or divinity). Institutions holding an exemption under [O.C.G.A. Section 20-3-250.3\(a\)\(6\)](#) cannot qualify for Tuition Equalization Grant Funds.
4. The institution admits as regular students only persons who have a high school diploma, a general education development (GED) certificate, or a degree from an accredited postsecondary institution.
5. The students of the institution are eligible to participate in the federal Pell Grant program.
6. The institution has been in existence in the State of Georgia for at least ten years.
7. Criteria for graduation rates, job placement rates and developmental studies placement rates will correspond to criteria for University System of Georgia institutions as established for the HOPE Scholarship program.
8. The institution meets requirements for faculty and all other Minimum Standards Criteria employed by the commission in reviewing an institution for authorization to operate as provided by [O.C.G.A. Section 20-3-250.5](#) and in GNPEC Policy 4: *Minimum Standards for Educational Institutions*.
9. The institution is eligible to participate in all federal education programs as set forth in Title IV of the Higher Education Act of 1965, as amended. If an institution is subsequently removed from participation in any Title IV program, it will no longer be eligible for tuition equalization grant funds.
10. The institution has an articulation agreement with at least one other regionally accredited baccalaureate degree granting institution to ensure that a majority of a student's credits may transfer to a regionally accredited baccalaureate degree granting institution or has the generally accepted designation in the Transfer of Credit Practices published by the American Association of Collegiate Registrars and Admissions Officers.
11. The only students who will receive tuition equalization grants are students attending classes at one of the following:
 - (a) a bona fide campus,
 - (b) a satellite campus regularly operated for educational purposes by the institution, or
 - (c) a distance learning center which had been approved by NPEC.
12. Neither the institution nor any of its agents will refer to tuition equalization grant funds in a false, deceptive, misleading, or unfair manner in any advertising brochure, catalog, or other promotional material.

Policy 6: Procedures for Biennial Review

In compliance with [O.C.G.A. § 20-3-250.5\(e\)](#), a previously authorized program of instruction at any institution which has received accreditation by a national or regional accrediting agency recognized by the United States Department of Education may be eligible for Biennial review. The Executive Director will also consider administrative longevity, financial stability, enrollment stability, faculty longevity, the institution's record of accurate and timely reporting and the number of student complaints and way complaints are resolved.

Policy 7: Collection of Tuition and Fees from Students

1. All educational institutions must collect tuition and fees based on segments of the instructional program as described in the enrollment agreement, i.e., quarter, semester or term, as defined by the institution, but in no case more than twelve (12) months. Any cash payments made by students, promissory notes made by an educational institution, student loans or other financial aid funds received by an educational institution must be collected and disbursed in accordance with subsection (2) of this policy.
2. Student loans and financial aid:
 - (a) Student loans or other financial aid funds received from federal, state, or local governments or administered under the federal student financial assistance programs governed by Title IV of the "Higher Education Act of 1965," [20 U.S.C.A. 1070 et seq.](#), as amended, must be collected and applied in the manner as controlled by the applicable federal, state, or local regulations.
 - (b) Cash payments made by students, promissory notes made by an educational institution, student loans or other financial aid funds received from private entities including, but not limited to banks, financing companies, credit card companies, and other lending sources must be collected or disbursed in the following manner:
 - (i) Cash payments made by students, promissory notes made by an educational institution, loans or other financing payments for amounts \$5,000 or less may be collected or disbursed as a single disbursement, regardless of the term length.
 - (ii) For certificate-granting programs cash payments made by students, promissory notes made by an educational institution, loans or other financing payments for amounts greater than \$5,000 that reflect a term of six months or less must be collected or have two (2) equal disbursements. The collection or disbursement schedule is as follows: one-half (1/2) of the tuition amount collected or released initially and the remainder collected or released halfway through the term.
 - (iii) For degree-granting programs cash payments made by students, promissory notes made by an educational institution, loans or other financial payments may be collected or disbursed as a single disbursement for segments of the instructional program as described in the enrollment agreement, i.e., quarter, semester or term, as defined by the institution.
 - (iv) Cash payments made by students, promissory notes made by an educational institution, loans or other financing payments for amounts greater than \$5000 that reflect a term greater than six (6) months up to twelve months must be collected or have three (3) equal disbursements. The collection or disbursement schedule is as follows: one-third (1/3) of the tuition collected or released immediately, the second disbursement collected or released one-third (1/3) of the way through the term, the third disbursement collected or released two-thirds (2/3) through the length of the term.

3. No educational institution may enter any contract or agreement with, or receive any money from private entities including, but not limited to banks, financing companies, credit card companies and other private lending sources unless the private entity has a disbursement policy that, at a minimum, meets the requirements of subsection (2)(b) of this policy.

Policy 8: Student Complaint Process

1. Any person/student claiming damage or loss against an institution subject to the regulation of NPEC may file a complaint through the Commission's website after going through and obtaining a final determination from the institution via its published complaint/grievance process. The Complaint must contain a detailed description of the claim, including dates and names of those involved. Documentation of the institution's final determination should be included.
2. The complaint shall be investigated by the Program Manager (PM). The PM shall attempt to resolve the complaint between the institution and the student. The complaint will be reviewed to determine if any violation of O.C.G.A. § 20-3-250, specifically the *Minimum Standards and Criteria Nonpublic Postsecondary Education Commission Institutions*, was made. A final determination will be provided to all parties.

Policy 9: Authorization of Massage Therapy Schools

In addition to meeting the Minimum Standards and Criteria established by the Nonpublic Postsecondary Education Commission for authorization, schools offering Massage Therapy Programs must also meet the requirements established by the Georgia Board of Massage Therapy. Specifically, such schools must meet the following requirements stated in the Rules and Regulations, State of Georgia, Georgia Board of Massage Therapy:

Section 345-8-.01 Curriculum Requirements

Section 345-8-.02 Faculty Requirements

Section 345-8-.03 Additional Requirements

Policy 10: Tuition Guaranty Trust Fund

In consonance with the authority granted in [O.C.G.A. 20-3-250.27](#), the Nonpublic Postsecondary Education Commission directs the Executive Director to collect fees according to the Schedule of Fees, Tuition Guaranty Trust Fund as established by the Board of Trustees of the Tuition Guaranty Trust Fund, Nonpublic Postsecondary Education Commission as well as make payments for eligible claims.

Finally, the Commission will vote regarding ratifying the following policies:

Policy 11: Change of Institution Ownership

With ownership defined as O.C.G.A. 20-3-250.2 (14), in the event of an ownership change, the following steps must be taken:

1. The new owner must within ten (10) business days of the official change of ownership, pay the \$500 Change in Ownership Fee and notify GNPEC of the change of ownership using the GNPEC Change of Ownership Form which can be found on GNPEC’s website at <https://gnpec.georgia.gov>.
 - a. If the new owner does not notify GNPEC by submitting the form and the fee within ten (10) days of the official change of ownership, the institution’s authorization to operate shall terminate, and GNPEC will require the new owner to initiate the complete Initial Authorization Application along with a \$1000 Change of Ownership fee.
2. In accordance with O.C.G.A.§20-3-250.8(f) the new owner must submit a complete Renewal of Authorization Application with all required fees (Annual Authorization and TGTF, if applicable) within thirty (30) calendar days of the official change of ownership.
 - a. Alternatively, if the new owner does not submit the Renewal of Authorization application and fees within (30) calendar days, the institution’s authorization to operate shall terminate, and GNPEC will require the new owner to initiate the complete Initial Authorization Application along with a \$1000 Change of Ownership fee.
3. If the previous owner has already paid into the Tuition Guaranty Trust Fund for five (5) years, the new owner will assume the benefits derived thereafter. If the previous owner has already paid into the Tuition Guaranty Trust Fund, but for a period of less than five years, the new owner will still assume the benefits of the previous owner’s payments, but will be required to pay into the Tuition Guaranty Trust Fund, on an annual basis, the remaining unpaid payments until all payments for the original five-year period have been made.

Policy 12: Use of “College” or “University”

In accordance with O.C.G.A. § 20-3-250.7(b), no person, agent, group, or entity of whatever kind shall use the term “college” or “university” unless approved to do so by the commission, unless it falls within one of the statutory exceptions set forth in O.C.G.A. § 20-3-250.7(b). Pursuant to Code Section 250.5(b)(5), the commission delegates the task of authorizing use of the term “college” or “university” to the Executive Director. In the instance that an applicant for authorization is a postsecondary institution, the Executive Director shall consider whether it has been accredited by an accreditor recognized by the United States Department of Education.

Policy 13: Tuition Guaranty Trust Fund (TGTF) Claims

For a student to be eligible for TGTF Funds, all the following conditions must be met.

1. The student:
 - a. was enrolled in an institution that was authorized by GNPEC;
 - b. had been enrolled during the term of the institution’s closure; and
 - c. has paid for unearned tuition.
2. Claims for unearned tuition must be made within six (6) months of the date the institution ceased operations.
 - a. Unearned tuition includes tuition, registration, general graduation, activity, or other fees that are required to be paid by all students where the institution did not complete the educational obligation or reimburse students (this includes advance payments).

- b. Though reimbursement for unearned tuition rather than to facilitate teach out is the preferred remedy for valid claims, circumstances may exist where GNPEC will authorize TGTF funds to cover the cost for a ‘teach out’ to complete the student’s program (such as completion of a clinical or externship that was in progress). Approval of such alternative arrangements will be in the sole discretion of GNPEC.
 - c. The following are not reimbursable by the TGTF:
 - i. Monies paid for tangible goods, such as books and equipment.
 - ii. Monies paid for program specific costs to a third party, such as clinical/externship-related insurance.
 - iii. Monies for expenses such as housing, meals, clothing and transportation.
3. For all claims for unearned tuition, an application for loan discharge must be made to the appropriate federal authority for any monies paid with Federal Financial Aid. Applications for discharge/reimbursement of Federal Financial Aid which have been denied may be submitted to GNPEC to request TGTF funds to cover those non-discharged amounts. Any TGTF reimbursement of funds shall be returned to the original source of the funds to assist in satisfying the student’s outstanding loan balance rather than the TGTF funds being remitted to the student who incurred the loan obligation.

Procedure for Filing a TGTF Claim

1. Student must email a TGTF claim to info@gnpec.ga.gov within six (6) months of the official date of an institutional closure. Such initial notification to GNPEC of a potential TGTF claim must include, at a minimum:
 - a. Student name at time of enrollment, name of closed institution and campus, dates(s) of enrollment, valid email address and phone number, nature of request for reimbursement.
 - b. GNPEC will screen such submissions for preliminary eligibility determination. If GNPEC determines that the submission may state a valid basis for a TGTF claim, GNPEC will send the student the TGTF Claim Application form for the student to complete.
 - c. The student must return the TGTF Claim Application form within 30 days of the form being sent to the claimant via email. The following must be included with the submission of the TGTF Claim Application:
 - i. Documentation of tuition and fees paid to institution to include the source(s) of payments, e.g. receipts from institution, loan documents, bank statements.
 - ii. Proof of enrollment at the institution, such as a transcript, during the term of the institution’s closure.
 - iii. Enrollment Agreement (if available)
 - iv. Final student accounts ledger card from the institution.
 - v. If reimbursement is requested for a minor or for someone other than the formerly enrolled student of the institution, such as payments made by a parent or guardian, the source of such payments as well as confirmation by the student of such payment made by the non-student is required.
2. GNPEC will make the final determination regarding the use of TGTF funds
 - a. If approved, the student’s information will be submitted for reimbursement processing in compliance with O.C.G.A. § 20-3-250.27(g)(4).
 - b. If denied, GNPEC will contact the student regarding which conditions for use of TGTF funds were not met.

Interested persons may submit written comments to Kirk Shook, Executive Director, Georgia Nonpublic Postsecondary Education Commission, 2082 East Exchange Place, Suite 220, Tucker, Georgia 30084-5305, info@gnpec.ga.gov. All written comments must be received by 9:00 a.m. on Monday, October 28, 2019. Interested persons may also participate in the proposed rulemaking by presenting comments orally at a public hearing to commence at 1:00 p.m. on October 28, 2019, at South College, 2600 Century Parkway, Suite 110, Atlanta, GA 30345.

Oral presentations at the hearing may be limited to five (5) minutes per person in order to afford all interested persons an opportunity to be heard. If you have a physical impairment and require assistance or have any questions regarding this notice, please contact the Nonpublic Postsecondary Education Commission.

Based upon full consideration of all written and oral comments regarding the above matters, the Commission may reject or adopt the proposed rules and policies or may make changes to the proposed rules and policies.

The Commission intends to consider these matters at its meeting at 1:00 p.m. on October 28, 2019, at South College, 2600 Century Parkway, Suite 110, Atlanta, GA 30345.

Direct all correspondence to:

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